

**CHAPTER NO. 64****SENATE BILL NO. 421****By Fowler, Herron**

Substituted for: House Bill No. 787

By Wood, Hargett, Pleasant, Fitzhugh, Maddox

AN ACT To amend Tennessee Code Annotated, Title 47, Chapter 18, Part 1, relative to consumer protection.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 47, Chapter 18, Part 1, is amended by adding the following as an appropriately designated new section:

Section 47-18-\_\_\_\_. (a) Any person who purchases, subscribes to or receives products, services or membership in any organization by negotiating an unsolicited negotiable instrument shall have thirty (30) days from the date of the first statement or bill for such services, products, membership or subscription (1) to cancel the services if services have not been rendered, (2) to return the products if products are unused and in the condition received, (3) to cancel the subscription or (4) to cancel the membership if services have not been rendered pursuant to such membership.

(b) The provisions of subsection (a) shall not apply to the execution of an unsolicited negotiable instrument that creates a loan or line of credit through a credit or lending institution with which the person has an existing relationship.

(c) For purposes of this section "unsolicited negotiable instrument" means an unconditional order or promise to pay a specific amount of money, signed by the maker or drawer, payable on demand or at a specific time, payable to order or to the bearer which was received by the bearer without prior notice from the maker or drawer.

(d) A violation of this section constitutes a violation of the Tennessee Consumer Protection Act of 1977, codified in this chapter. For purposes of applying the Tennessee Consumer Protection Act to this section, a violation of this section shall be construed to constitute an unfair or deceptive act or practice affecting the conduct of any trade or commerce, subject to the penalties and remedies provided in such act.

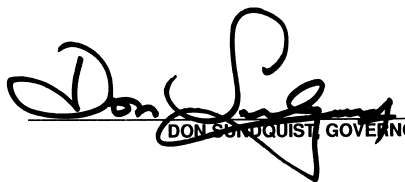
SECTION 2. This act shall take effect upon becoming a law, the public welfare requiring it.

PASSED: March 22, 1999

  
JOHN S. WILDER  
SPEAKER OF THE SENATE

  
JIMMY NAIFEH, SPEAKER  
HOUSE OF REPRESENTATIVES

APPROVED this 7th day of April 1999

  
DON CONQUIST, GOVERNOR